Marcon International, Inc.

Vessels and Barges for Sale or Charter Worldwide

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December 2023

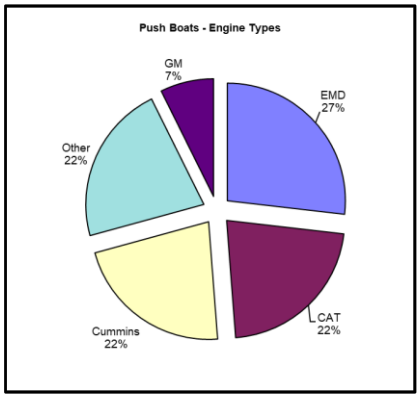
Inland Pushboat Market Report

Of the 13,280 vessels (excluding barges) Marcon currently tracks, 819 are inland river pushboats with 45 officially on the market for sale (31 U.S. flag and 14 foreign flag). Six of the boats with age listed were built within the last ten years. Twenty-six boats are forty-five years of age or older. The oldest listed was built in 1944, a 76', 1,150BHP vessel on the U.S. West Coast. This is counterbalanced by three 2022-built pushboats in the U.S. Marcon also has six inland river pushboats listed for charter – four U.S. and two foreign.

Market Overview

The number of inland river push boats officially on the market for sale in total is 45, down 15 or 25%, from one year ago in December 2022 and down 60 or 57.14% from November 2018. We do not have any push boats offered greater than 5,000HP, reflecting that higher horsepower units are working consistently. Currently, 13.33% of the push boats available are less than 10 years old, same as one year ago and up from 8.57% reported five years ago. The average age of all on the market through Marcon last year and five years ago was 40 and 45 years, respectively, compared to 40 years now. Mostly older foreign-flagged vessels have gone on the market, with average age going from 33 years in 2018 to 42 years now. U.S.-flagged push boats went from 47 years old five years ago to 40 last year to 39 years old as of this report date.

Of the 41 vessels listed for sale where engine type is known, eleven are powered with EMDs, followed by nine each with CATs and Cummins, three with GM and nine comprised of other types. Most of the inland river pushboats Marcon has listed for sale are located in the U.S. with 31 vessels or 69%; followed by seven or 16% in Europe, five in Latin America and one each in Canada and with *"undisclosed"* location. While our focus is on the U.S. market, there has been a decline of vessels offered in the U.S. as percentage of all available for sale noted a year ago when it dropped to 77% compared to 83% in 2018, with it now decreasing to 69%. Compared to five years ago, push boats available in Europe has increased as percentage of available for sale from 10% to 16%, with same occurring in Latin America (2% in 2018 to 11% now).



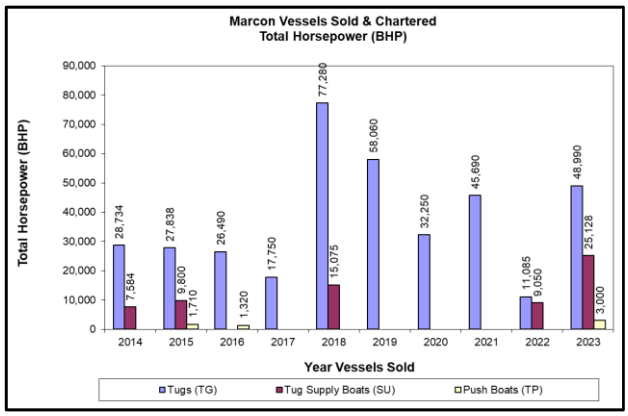
Marcon's Market Comments

Overall, the U.S. inland market seemed slower in 2023 than it did in 2022. Low water levels in key rivers and ports, including the Panama Canal, impacted schedules and freight movements. Key export areas, such as the Red Sea, saw supply disruptions due to military actions. All of these disruptions have an impact along all phases of the transportation and supply chain. But operators are reporting high utilization and strong charter rates for their working inland vessels and barges.

While Marcon did see an increase of tonnage availability across several maritime sectors in 2023, the inland market tightened with a decline in availability of second hand inland vessels and barges. During 2023, Marcon completed the sale of one U.S.-flagged pushboat, compared to the sale or charter of 12 tugs. It has been difficult to find available inland tonnage that meets buyers' needs and price levels, while abiding by sellers' desired trade and competition restrictions. Corporate acquisitions have led to fleet consolidations. Lingering effects of the pandemic have impacted maintenance and certification of much tonnage, with an increase in scrapping of tonnage idled during the *"shutdown"* when costs to reactivate are too high or there is not available yard space for required work.

Marcon International, Inc.
Inland Push Boat Market Report – December 2023

Marcon's Recent Sales



Marcon closed 31 sales and one charter in 2023, including 12 tugs totaling 48,990BHP, three anchor handling supply vessels, three platform supply vessels, a crew boat, a passenger day vessel, a 3,000HP inland river towboat, six ocean tank barges and five deck barges. In 2022, Marcon concluded 19 sales and charters comprised of three ocean deck barges, three inland deck barges, an ocean tank barge, a landing craft, five tugs totaling 11,085BHP, a fast supply utility vessel, a crew boat, two PSVs and two AHTS vessels. Since 1981, Marcon has sold or chartered 37 inland river pushboats totaling 83,780BHP, 395 tugs (1,296,762HP), 111 inland hopper barges (171,006dwt), 96 inland deck barges totaling 203,417dwt capacity and 64 inland tank barges with an aggregate capacity of 1,047,848 barrels, out of 1,578 vessels and barges sold or chartered worldwide.

Featured Listings for Sale Direct from Owners

Marcon currently has 63 inland river pushboats, hopper barges and tank barges for sale worldwide, of which 24 are non-U.S. and 39 U.S. flag, plus other vessels and barges not officially on the market which may develop on a private & confidential basis.

File: TP30147 Push Boat: 147.0' loa x 38.5' beam x 10.0' depth. Built in 1973 by Superior Boat Worker; LA USA. U.S. flag. GRT: 634. Class: None. Main Engines: 2 x EMD 12-567C-E2 total **3,200BHP**. 2 - FP 90" x 88" props. Gensets: Cummins 6CTA8.3. No flanking rudders. Laid-up. **U.S. Gulf Coast.**

File: TP30111 Push Boat: 110.0' loa x 34.0' beam x 10.5' depth. Built in 1976 by Davo Corp. U.S. flag. GRT: 283. Class: None. Main Engines: 2 x EMD 12-645-E6 total **3,000BHP**. 2 - FP 84" x 77.8" props. Kort nozzles. Gensets: Cummins 6CTAB.3. No flanking rudders. Laid-up. **U.S. Gulf Coast.**

File: TP28121 Push Boat: 121.0' loa x 33.0' beam x 10.3' depth. Built in 1970 by Nashville (Tenn) Bridge. U.S. flag. GRT: 349. Class: None. Main Engines: 2 x EMD 8-645-E5 total **2,800BHP**. 2-FP 90" x 88" props. Gensets: Cummins 6CTA8.3. **Retractable wheelhouse**. **Flanking rudders**. Laid-up. **U.S. Gulf Coast.**

File: TP19011 Push Boat: 116.0' loa x 28.0' beam x 10.0' depth. Built in 1973 by Brent Shipyard; Greenville, MS. U.S. flag. GRT: 296. Class: USCG COI Sub M - Exp. March 26, 2026. Main Engines: 2 x EMD 8-645-E5 total **1,950BHP**. 2 - FP 88" x 82" props. Kort nozzles. Gensets: Cummins QSB7DM / 6CTA8.3. **Retractable wheel house. Flanking rudders**. Laid-up. **U.S. Gulf Coast.**

File: TP18068 Push Boat: 86.0' loa x 27.0' beam x 9.3' depth. Built in 1976 by Superior Boat Works. U.S. flag. GRT: 201. Class: None. Main Engines: 2 x EMD 8-645-E2 total **1,800BHP**. 2 - FP 76" x 63" props. Gensets: JD6068 / Cum6CTA8.3. **Retractable wheelhouse. Flanking rudders**. Laid-up. **U.S. Gulf Coast.**

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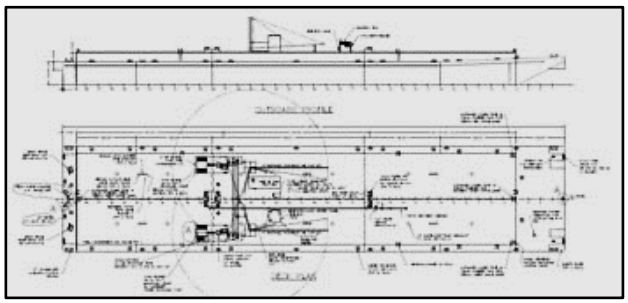
File: TP13050 Push Boat: 50.0' loa x 22.0' beam x 7.5' depth. Built in 2008 by Serodino Shipyard; TN USA. U.S. flag. GRT: 73. Class: None. Laid-up. Main Engines: 2 x Cummins QSK19-ME total **1,320BHP**. 2 - FP 52" x 40" props. Gensets: John Deere 4045TF285. No flanking rudders. Laid-up. **U.S. Gulf Coast.**

File: TP12176 Double Hull Push Boat: 75.0' loa x 26.0' beam x 8.6' depth. Built in 1982 by Superior Boat Works; LA USA. U.S. flag. GRT: 85. Class: USCG COI Sub M - Exp. 20 Apr 2025. Main Engines: 2 x Cummins 38M Tier 2 total **1,200BHP**. 2 - FP 70" x 52" props. Gensets: Cummins 6CTA8.3. **Retractable wheelhouse**. No flanking rudders. Laid-up. **U.S. Gulf Coast.**

File: HB35559 Hopper Barge - Inland: 356.0' loa x 60.0' beam x 18.5' depth. Built in 1966 by Wiley Mfg. Co.; Port Deposit, MD. U.S. flag. GRT/NRT: 3,319. Class: ABS + A1 Barge - Rivers, Bays and Sounds Service. Open hopper barge. **Dwt: 7,125st**. **U.S. East Coast.**



File: TB25925 Double Hull Tank Barge - Inland: 257.1' loa x 54.0' beam x 12.0' depth x 1.50' light draft x 11.00' loaded draft. Built in 1998 by Bollinger Marine; Amelia, LA USA. U.S. flag. GRT/NRT: 1,398. Class: USCG COI Grade A and Lower, Lakes, Bays & Sounds Exp. Aug 6, 2025. Dwt: 3,400T. Rakes: Single Fwd. **Capacity: 25,922bbl**. Tanks: 6. Uncoiled. FO: 3,800g. Pumps: 2- Byron-Jackson Deepwell; 4,000BPH@231' head / GM8V71,1-Deepwell/GM6-71. Three tanks both Port & Stbd. Double hull chemical & oil tank barge. Trading in acetone and cumene cargo. Vapor recovery system. Flat deck with 4.5' high trunk. Underwent significant Drydocking work for USCG renewal in 2020. Next DD due July 2030. Next Internal Exam due July 31, 2025. Reportedly in good overall condition and **working steady with TG22103**. Owner looking to sell the pair 'en bloc', but may consider separating. **U.S. East Coast. Q2 2024.**

File: TG22103 Tug - Twin Screw: 100.2' loa x 29.0' beam x 14.5' depth. Built in 1975 by Main Iron Works; Houma, LA. Rebuilt: 2011. U.S. flag. GRT: 170. Class: USCG COI Sub M - Exp. March 26, 2025. Winch: Almon Johnson (232) single drum. Main Engines: 2 x CAT 3512C **total 2,560BHP**. 2 - FP props. AirCon. Galley. Flush deck, upper pilot house. **Outfitted with JAK Coupler system** in 2011 at Feeney's Enterprises of NY. ITC - 292G / 87N. **Working steady with TB25925**. Capstan also fitted aft. Owner looking to sell the two units 'en bloc', but may be willing to separate. Formerly classed ABS +A1 +AMS Towing Service class, but allowed to lapse. Working steady and reportedly in good condition. **U.S. Northeast. Q2 2024.**

USDA Grain Transportation Update:
Disruptions at Panama Canal and Red Sea Reroute Grain Exports From U.S. Gulf

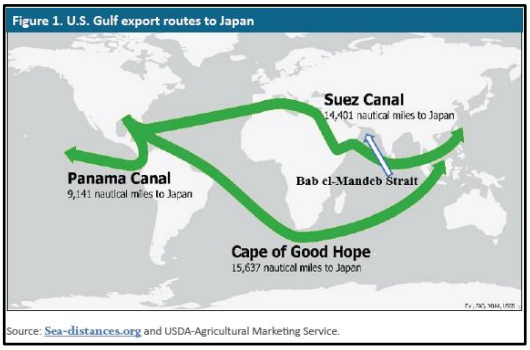
To supply buyers of U.S. grain around the world, U.S. agricultural trade depends on reliable and efficient ocean transportation. Beginning in mid-2023 and continuing into this year, ocean transportation has faced unusual challenges that have exacted additional costs of time and money.

This article outlines the nature of the challenges posed by the drought at the Panama Canal and conflict in the Red Sea. From there, the article explores the ongoing impacts of these dual crises to U.S. bulk grain exports as revealed by available data.

From Panamanian Drought - Ships Diverted Through Suez Canal

As a major throughfare for U.S. grain exports, the Panama Canal is the shortest voyage from the U.S. Gulf to major importers in East Asia. However, an unprecedented Panamanian drought (that worsened over the course of 2023) led the Panama Canal Authority (PCA) to reduce draft levels and limit the number of daily transits.

Currently, the number of vessel transits per day is set at 24. During a normal year, the maximum sustainable number of transits per day is 38 to 40.



In response to PCA's reduced daily transits, most bulk grain vessels leaving the U.S. Gulf for East Asia were rerouted from the Panama Canal to the Suez Canal—increasing their travel distance by over 5,000 nautical miles and their time, by over 2 weeks, assuming a traveling speed of 12 knots (fig. 1).

From October 15 to 28, 2023, 33 bulk grain vessels leaving the U.S. Gulf for East Asia (87%) transited the Suez Canal, and only 5 transited the Panama Canal (13%). Over the same period in 2022, the ratio was nearly reversed—with 34 vessels transiting the Panama Canal (83%) and only 7 transiting the Suez Canal (17%) (*Grain Transportation Report (GTR*), November 23, 2023).

Certainly, by mid-fall 2023, the drought at the Panama Canal - by forcing ships to reroute to the Suez Canal - had seriously disrupted ocean shipments to Asia. However, in the third week of November, an entirely new set of challenges would arise to compound shippers' existing difficulties.

From Conflict in Red Sea - Ships Diverted Around Africa

On November 19, members of Yemen's Houthi movement seized a Bahamas-flagged (and Israeli-owned) vehicle carrier, *"Galaxy Leader"*, near the Bab el-Mandeb Strait (fig. 1). Since this attack, the maritime security firm, Ambrey, has documented about 40 security incidents in the Red Sea and Gulf of Aden. Several incidents have involved ships carrying U.S. grain exports, including a ballistic missile attack on December 3 launched from Yemen. In that attack, two of the three targeted vessels were en route from the U.S. Gulf to Asia carrying U.S. bulk grain exports.

On January 9, the U.S. Navy responded to a *"complex attack"* toward shipping lanes in the Red Sea when dozens of merchant vessels and several U.S.-flagged ships were transiting. One of the vessels in the area was a U.S.-flagged bulk vessel carrying food aid. Also, on January 9, a bulk vessel carrying U.S. sorghum exports to China reported being fired on by three small vessels.

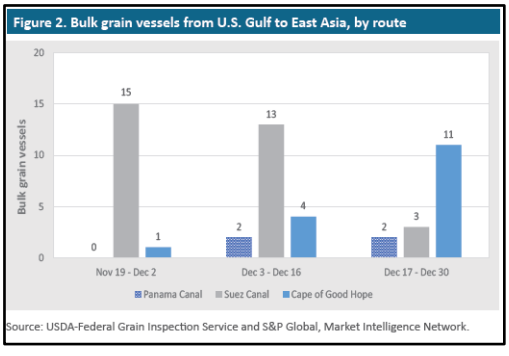
Houthi attacks have raised the risk for all ships transiting the area. On December 18, in response to ongoing attacks in the Red Sea, the U.S. Department of Defense announced the creation of *"Operation Prosperity Guardian"* - a multinational security initiative created to protect commercial shipping in the Red Sea. U.S. action in the Red Sea was entirely defensive until January 11 - when the U.S. military (and allies) conducted strikes within Yemen.

Based on the potential for retaliator y attacks by Houthi forces, the Department of Transportation's Maritime Administration now recommends that all U.S.-flagged and U.S.- owned commercial vessels avoid transiting the southern Red Sea and western Gulf of Aden until further notice.

Hostilities in the Red Sea have had a pronounced effect on shipping traffic. According to the International Monetary Fund's *"PortWatch,"* as of January 14, the 7-day average of daily vessel transits of the Bab el-Mandeb Strait are 41 - down 39% from 2023. Over the same period, daily vessel transits at the Cape of Good Hope are 70 - up 59% from 2023.

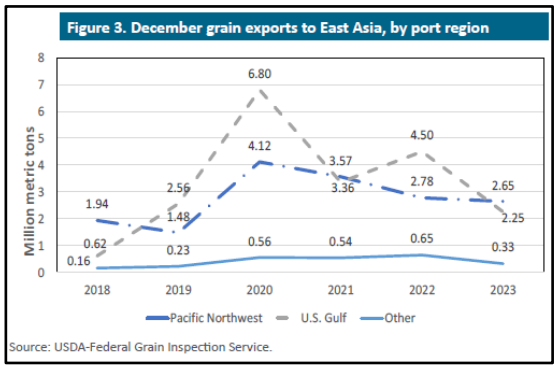
U.S. Grain Exports Reflect Upheaval

Reflecting the multiple, protracted challenges facing shipments from the U.S. Gulf, the available data for 2023 show large numbers of vessels rerouted from the Panama Canal through the Suez Canal or (as the Suez Canal became less safe) around the Cape of Good Hope. The data also show declines in grain-export volumes from the U.S. Gulf to East Asia.



Gulf Vessels Reroute … and Reroute Again. Figure 2 shows the routes taken by bulk grain vessels departing the U.S. Gulf to East Asia (China, Japan, Korea, and Taiwan) in the last 6 weeks of 2023—divided into three 2-week periods. Routes for grain ships are determined using FGIS data

and automatic identification system data (*GTR*, November 23, 2023). In the first period (November 19-December 2), when the Houthi attacks on commercial shipping began, 15 bulk grain vessels departed the U.S. Gulf, all of them initially traveling toward the Suez Canal. However, one vessel turned around in the Mediterranean (mid- December 2023), opting to travel around the Cape of Good Hope instead. In the second period (December 3-16), when Houthi attacks picked up significantly, 2 vessels destined for Japan used the Panama Canal; 13 vessels traveled toward the Suez Canal; and 4 opted to take the longer route around the Cape of Good Hope. As the Houthi attacks in the Red Sea continued in the third period (December 17-30), 2 vessels traveled toward the Panama Canal; 3, toward the Suez Canal; and 11, toward the Cape of Good Hope. This period marked the first time the majority of grain vessels departing the U.S. Gulf for East Asia traveled toward the Cape of Good Hope.



Regional U.S. Export Volumes Reflect Impact of Ocean Shipping Disruptions. In December 2023, the USDA's Federal Grain Inspection Service (FGIS) inspected 5.23 million metric tons (mmt) of grain for export to East Asia from all U.S. port regions. This is the lowest December grain inspections to East Asia since December 2019. The majority of this decline is attributable to the Gulf region, which is heavily impacted by the simultaneous disruptions at the Panama Canal and Red Sea.

Total December grain inspections from U.S. Gulf ports were 2.25mmt - down 37% from the prior 5-year average. In contrast, inspections from PNW ports were 2.65mmt - down only 5% from average (fig. 3). In addition, the spread between freight rates from the U.S. Gulf to Japan and the PNW to Japan has been rising. In December 2023, it was $30 per metric ton (mt) - up 19% from December 2022.

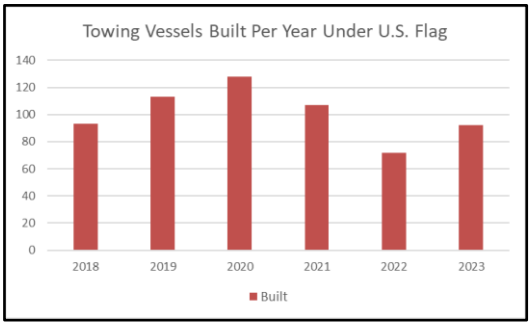
Looking Ahead: Seasonal Lull in Freight Rates May Hide Costs of Disruptions
For dry bulk shipping companies, all possible routes from the U.S. Gulf-whether via the Panama Canal, the Red Sea, or around Africa- carry higher-than-normal costs. At the Panama Canal, when ships can transit at all, they may face delays or additional fees. Vessels traveling through the Suez Canal will face higher insurance costs because of a rise in war risk premiums.

Diverting around the Cape of Good Hope further lengthens voyages, and the increased ton-miles reduce shipping capacity and raise fuel costs. Some analysts have raised concerns that rerouting around the Cape of Good Hope will stress bunker fuel supplies in South Africa-leading to higher fuel prices and possible delays for bunkering.

Despite these added costs, shippers may not face significantly higher freight rates in the coming weeks, because dry bulk rates typically fall in the first quarter of the year (*GTR,* May 4, 2023). Still, rates are higher than average for this time of year. In the first week of 2024, dry bulk freight rates for shipping grain from the U.S. Gulf to Japan were just over $60 per mt - about 8% higher than the same time last year, when most ships en route from the U.S. Gulf to Japan would have transited the Panama Canal. Austin.Hunt@usda.gov *(Article courtesy of: GTRContactUs@usda.gov)*

Vessel News

According to the **U.S. Coast Guard Merchant Vessels of the U.S.** database updated 10 January 2024, 92 towing vessels are listed with 2023 build dates. These range from 24' to 157' LOA, 660BHP to 7,725BHP (where BHP given) vessels. In 2022, 83 towing vessels were built or completed; following 107 built or completed in 2021, 128 in 2020 and 113 in 2019.



New type of river pusher: CDS 4115. Paraguayan shipowner and operator **Girona S.A. – Rio Sur Transporte y Logistica** has contracted Dutch inland shipping construction yard **Concordia Damen** to build a 'CDS4115' Shallow Draft 5,400HP River Pusher to expand its fleet. The family owned company is one of the most traditional waterway transport companies in Paraguay, serving many customers along the 2,695km Paraguay River. Concordia Damen has thoroughly researched the Paraguay River characteristics in relation to the desired operational profile of the vessel. Based on this its engineers designed the most efficient pusher considering local conditions. This resulted in a proven low draft push boat design, several of which have already been built for and delivered to Paraguayan clients in the past. The 5,400HP river pusher is a further development of these earlier pushers. The CDS4115 type measures 41m x 15.5m. In a push-barge configuration with 12-barges, the combination will measure 281m long x 48m wide. The three Yanmar 6EY22AW engines generate a power of 1,330kW each. Rio Sur will use the combinations mostly for transporting dry bulk cargo on the Paraguay - Parana Rivers. The rivers are known for low draft conditions during several months each year during dry season. Thanks to this low draft design of the CDS4115 Shallow Draft, they will be able to continue operating year round, even with a draft as low as 6.5 feet, which gives a huge advantage compared to many other push boats on the river. After outfitting the vessel at the yard in Werkendam, Girona´s superintendents will go to the Netherlands for the Sea Acceptance Trials, and the hand-over.

Serodino Inc has provided **Parker Towing** of Tuscaloosa, Alabama with a Super Tiger Class Workboat named M/V *"Johnny R Holt"*. This 1,500HP vessel meets all U.S. Coast Guard Sub Chapter M standards. Its dimensions are 60' x 24' x 8', with a 6' draft, built from sturdy 3/8" plate with enhanced ½" plate protection over the wheels and on the bilge knuckles. Internally, the boat has three separate collision compartments, three fuel tanks (9,000 gallons total), three water tanks (3,000 gallons total), and six stern compartments. Powered by two Cummins QSK-19M engines, it achieves a total of 1,500 continuous horsepower. The engines connect to 4-1/2" shafts via Twin Disc MGX5222 gears. It utilizes 52" x 41", four-blade propellers from Michigan Wheel. Auxiliary power is provided by twin 40kW John Deere MDDCA generators. Its Skipper Steering system functions with hydraulic pumps powered by electric motors to control four flanking rudders and two main rudders. The vessel comes with twin searchlights, Furuno radar, twin 40-ton Wintech electric winches, and Fernstrum coolers. The boat's superstructure is made of 3/16" plate, featuring steel doors and aluminum windows with safety glass. All crew quarters are insulated, equipped with HVAC systems, and have rubber flooring. The main deck has a galley, shower and Coast Guard-approved marine toilet. The raised pilothouse offers a 28' height of eye. The hull has a Rustoleum 9100 epoxy coat for durability, and the decks have a non-skid finish.

Two modern pusher tugs for **Hidrovias do Brasil S.A**., built in Türkiye to a customized design from **Robert Allan Ltd**. of Vancouver, Canada. have begun operation in Brazil. The tugs will push barges containing bulk products in the Amazon River system. These shallowdraft pushboats, *"HB Mapará"* and her sister vessel, *"HB Dourada"* are RApide 4600-Z3 pushboats. Construction was successfully completed by **Uzmar Shipyard** in Izmit, Türkiye. Both vessels are designed to meet ABS and Brazilian Flag State (NORMAM-02/DPC) requirements and provide the highest standards for crew comfort and safety. The wheelhouse provides maximum all-round visibility with a split forward control station providing unobstructed vision to the foredeck working area as well as to the convoy of barges ahead. The powerful RApide 4600-Z3 mainline pushboats were designed to push mega convoys of thirty-five barges, each with a deadweight of over 2,000mt. These two vessels represent the newest generation of high-power L-drive pusher tugs designed by Robert Allan Ltd. specifically for operation in this area. The RApide 4600-Z3 accommodates up to 18 people with a large galley and mess on the main deck. The propulsion system is diesel electric, with three independent Wärtsilä 8L20 medium-speed diesel gensets each developing 1,670ekW. Electric motors power the Schottel SRP 430 FP azimuthing drives (L-Drives), fitted with custom-designed nozzles that reduce draft, and heavy-duty drive components to withstand impacts with river debris. This combination produces a Bollard Pull of 65mt ahead. Diesel-electric propulsion enable the crews to operate these vessels efficiently and safely in shallow waters. Principal particulars of the RApide 4600-Z3 are: Length overall: 45.6m; Beam, moulded, extreme: 16.5m; Depth, moulded (hull): 4.0m; Minimum operating draft: 2.1m; Normal operating draft: 2.65m.

The **Rhenus Group** announced it has upgraded two canal push boats operated by **Deutsche Binnenreederei** (DBR) with new stage V engines. While the new construction of more sustainable hydrogen-powered vessels is a long-term project, the Rhenus Group is retrofitting its older vessels with modern and therefore more environmentally-friendly technology in the short term. The two canal push boats, RSPSB146 and RSPSB153, which were built in 1978 and 1979 respectively, are the first to undergo this process. It has taken about ten months to convert the two vessels. The old engines have been replaced with modern diesel generators manufactured by SCANIA and Caterpillar – they are truck engines, which are also certified for use on board inland waterway vessels. They operate with stage 5 exhaust gas treatment and ensure that particles, which damage the environment, are no longer able to make their way into the air. This means that Rhenus is achieving a reduction in pollution caused by particulate matter of as much as 40%. The engines have a rating of 740kW, which represents a tripling of the performance of the former units. The engine room has been completely gutted and refurbished to create space for the significantly larger engines. All the old pumps, electronic equipment and subassemblies have given way to the latest electronics and a modern control cabinet. The new engine is encapsulated in a Silence Pack enclosure and operates very quietly, so that the crew on board can rest at night. A new power train with thrust bearings and shaft seals has been added and the rudder hydraulics has been thoroughly updated. The two vessels will continue to operate on the eastern German inland waterways. Thomas Kaulbach, the Managing Director of Rhenus PartnerShip, said, *"Most of the vessels operated by German inland waterway companies are between 30 and 50 years old. This applies to ours too. Scrapping them makes absolutely no sense at all, particularly as it is so simple to refit them in a suitable manner. That's exactly what we're seeking to do with our program entitled German inland waterway shipping – evolving for the future."* Earlier this year, Rhenus presented the first flagships of a new, low-emission fleet generation to provide sustainable inland waterway shipping in future. The push-barge combinations operate with a hydrogen-powered drive train and electric batteries, even if there is a strong current. Rhenus is also continuing to develop its short-sea fleet. Rhenus and Arkon Shipping have jointly designed five new vessels for transporting goods near coastlines.

Kooiman Marine Group has recently received an order from **VERBUND Hydro Power GmbH** for a new vessel. The pusher tug will serve a dual purpose, facilitating the transport of split hopper barges and functioning as an icebreaker on the River Danube in Austria. Prior to the securing the order, Kooiman Engineering, a division of the Kooiman Marine Group, developed a concept design in close collaboration with VERBUND Hydro Power GmbH. VERBUND is a leading electricity supplier in Austria and operates 10 hydropower plants on the River Danube. They require a pusher tug to handle a pair of split hopper barges which are used for the maintenance of the gravel bed around the dams. The vessel should be powerful enough to push the combination upstream. Beyond its primary role, the pusher tug will also be used to break ice, preventing the accumulation of drifting ice against the dams. As a producer of green energy, VERBUND is strongly engaged in the production and the application of hydrogen, as a means to reduce emissions of greenhouse gases and nitrogen oxides. The pusher tug will be prepared to enable an easy conversion to hydrogen for propulsion in the future. The Kooiman Marine Group houses all disciplines necessary for the design, build and delivery of new ships, compliant with the applicable regulations. With this order for the pusher tug for VERBUND, Kooiman demonstrates that bespoke solutions enable the efficient operation of pusher tugs with low emissions. Main particulars of the vessel: Length (over all): 40.00m; Length (bpp): 40.00m; Width (over all): 11.40m; Depth: 3.40m; Draft: 1.75m; Accommodation: 5 persons.

Company News

Algoma Central Corporation reported its results for the three and nine months ended September 30, 2023. (All amounts reported in thousands.) Algoma reported revenues during the 2023 third quarter of CAN $205,888, a 3% increase compared to the same period in 2022. Net earnings for the 2023 third quarter were CAN $35,745 compared to CAN $42,533 for the same period in 2022. *"Strong customer demand and our focus on operational excellence continued to drive our steady results in the third quarter,"* said Gregg Ruhl, President and CEO of Algoma. *"As cargo demand varies, we are committed to continually enhancing our fleet operations to provide the best possible service for our customers. The raw materials we transport on behalf of our customers are essential to North American and global markets, serving as a cornerstone in sustaining economic growth across the vital industries these markets support,"* concluded Mr. Ruhl.

Domestic Dry-Bulk segment revenue increased 11% to $128,449 compared to $115,996 in 2022, reflecting higher base freight rates and 4% higher volumes, which drove a 12% increase in revenue days. Operating earnings increased 16% to $35,341 compared to $30,453 for the prior year, mainly reflecting additional customer demand this quarter, partially offset by higher operating costs.

Revenue for **Product Tankers** increased 4% to $34,134 compared to $32,749 in 2022. This was mainly driven by higher freight rates and increased revenue generated by one vessel that entered domestic operations during the quarter. These items were partially offset by 4% fewer revenue days. Despite the higher revenue, segment operating earnings decreased to $1,759 compared to $5,888 in 2022, reflecting more vessels on drydock in the current year and increased operating costs.

Outlook: On October 22nd, subsequent to the quarter, St. Lawrence Seaway workers, represented by UNIFOR, began a work stoppage that resulted in a full closure of the Seaway system. The parties reached a tentative contract deal on October 29th, and the Seaway re-opened on October 30th. During the 72-hour strike notice received prior to closure, and throughout the 8-day strike, the majority of the **Domestic Dry-Bulk** fleet was at anchor, in standby berths or arranging for changes to their course. Although the seaway has re-opened, the backlog created by this closure caused further delays before the fleet was able to fully resume trading. The full impact of the closure is unknown as Algoma is in the process of assessing the repercussions of the delays. Its fleet was already fully booked for the fourth quarter given seasonally high demand to move the new grain harvest and build winter inventories of iron ore, salt, and construction inputs. Given the capacity lost due to the strike, although Algoma will attempt to shift cargoes to next year, some volumes will be lost.

Algoma expects customer demand in the **Product Tanker** segment to remain steady through the balance of the year, although energy markets are expected to remain volatile. Vessel utilization is expected to be strong; however, Algoma does expect inflation to continue to impact costs going forward. The *"Birgit Knutsen"*, soon to be re-named the *"Algoluna"*, will enter service under Canadian flag during the fourth quarter, replacing the *"Algosea"* when she retires in November.

Arcosa, Inc announced that third quarter ended September 30, 2023 revenues increased 10% from third quarter 2022 to $591.7 million, while net income was $35.5 million, after excluding the impact from the divesture of Arcosa's storage tank business in October 2022. *"Arcosa delivered double-digit revenue and Adjusted EBITDA growth in the third quarter, normalizing for the sale of the storage tanks business,"* said Antonio Carrillo, President and Chief Executive Officer. *"Strong results in Construction and **Transportation Products** more than compensated for a decline in Engineered Structures, underscoring the resiliency of our diversified portfolio."*

*"Adjusted Segment EBITDA in **Transportation Products** reached a three-year high with margin nearly tripling year-over-year. This performance highlights the enhanced operating leverage inherent in these businesses as production volumes increase. Inland river water levels reached historic lows during the quarter impacting customer sentiment, which is reflected in our book-tobill ratio of 0.3. Despite relatively low order activity in the third quarter, our backlog is up 87% year-over-year and extends into the second half of 2024 with improved pricing."*

Transportation Products – Revenues were $107.1 million, up 30%. Barge revenues increased 32% and steel components revenues increased 25%, both driven by higher volumes and pricing. Adjusted Segment EBITDA increased $13.3 million, or 271%, to $18.2 million, representing a 17.0% margin compared to 5.9% in the prior period. The increase was driven by enhanced operating leverage on higher volumes and improved pricing. During the quarter, Arcosa received orders of approximately $21 million in its barge business, representing a book-to-bill of 0.3. These orders extend Arcosa's backlog into the second half of 2024. Barge backlog at the end of the quarter was $240.4 million compared to $128.9 million at the end of the third quarter of 2022. Arcosa expects to deliver approximately 26% of its current backlog in the fourth quarter of 2023 and the remainder in 2024.

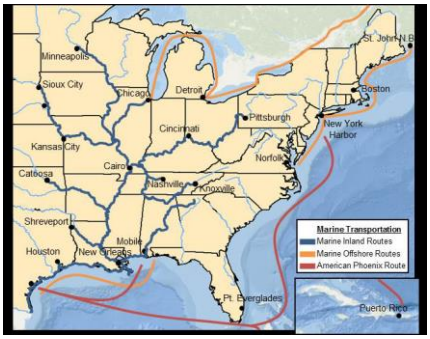
Genesis Energy, L.P. reported its results for third quarter of 2023. Net Income Attributable to Genesis Energy, L.P. of $58.1 million for the third quarter of 2023 compared to Net Income Attributable to Genesis Energy, L.P. of $3.4 million for the same period in 2022. In addition to both on and offshore pipelines & refinery services, Genesis operates 82 *"brown water"* barges and 33 inland river pushboats with a total capacity of abt. 2.3m BBL. Offshore marine *"blue water"* operations include nine boats and nine coastwise barges (abt. 0.9m BBL capacity), plus the 330,000BBL capacity ocean-going tanker *"American Phoenix"*.

Grant Sims, CEO of Genesis Energy, said*, "Our financial results for the third quarter came in ahead of our internal expectations and once again demonstrated the resilient earnings power of our diversified market leading businesses. During the third quarter, our offshore pipeline transportation segment benefited from steady and increasing volumes across our footprint along with zero downtime associated with any weather-related events in the Gulf of Mexico that would have otherwise caused our shippers to limit their production activities. Our soda and sulfur services segment performed in line with our expectations. Our* ***marine transportation segment*** *continued to perform in-line with, if not exceed, our expectations as the market for Jones Act equipment continues to remain structurally short, which is continuing to drive strong utilization and increasing day rates across all our classes of vessels…."*

"We expect the balance of the year to consist of strong financial contributions from our offshore pipeline transportation and marine transportation segments being somewhat offset by marginally weaker performance in our soda ash operations, driven in large part by continued weakness in soda ash prices, primarily in our export markets."

"As we look ahead to next year, we expect to see continued volume growth offshore from additional wells coming online at Argos, along with additional volumes from new sub-sea tiebacks and continuing in-field drilling. We believe the Jones Act market will remain structurally tight driving marginally increasing day-rates in both our inland and offshore fleets in addition to our new long-term contract for the American Phoenix commencing in mid-January. Any weakness in our soda ash business due to prolonged weakness in soda ash prices is expected to be at least partially offset by the new volumes from the Granger expansion project and the corresponding reduction in our average operating cost per ton."

"Our marine transportation segment continues to exceed our expectations as market supply and demand fundamentals remain steady. We continue to operate with utilization rates at or near 100% of available capacity for all classes of our vessels as the supply and demand outlook for Jones Act tanker tonnage remains structurally tight, driven by a combination of steady and robust demand and effectively zero new supply of our types of marine vessels. This lack of new supply of marine tonnage, combined with strong demand continues to drive spot day rates and longer-term contracted rates in both of our fleets to record levels. These fundamentals, combined with our increasingly term contracted portfolio, lead me to believe our marine transportation segment remains well positioned to deliver marginally growing and steady earnings over the next few years."



Marine transportation Segment Margin for the 2023 Quarter increased $11.8 million, or 78%, from the 2022 Quarter. This increase is primarily attributable to higher day rates in Genesis' inland and offshore businesses, including the M/T *"American Phoenix"*, during the 2023 Quarter. Demand for Genesis' barge services to move intermediate and refined products remained high during the 2023 Quarter due to the continued strength of refinery utilization rates as well as the lack of new supply of similar type vessels (primarily due to higher construction costs and long lead times for construction) as well as the retirement of older vessels in the market. These factors have also contributed to an overall increase in spot and term rates for Genesis' services. Additionally, the M/T *"American Phoenix"* is under contract for the remainder of 2023 with an investment grade customer at a more favorable rate than 2022, and during the 2023 Quarter, Genesis entered into a new three-and-a-half-year contract starting in January of 2024 with a credit-worthy counterparty at the highest day rate it has received since we first purchased the vessel in 2014.

Kirby Corporation of Houston, Texas' reported net earnings attributable to Kirby for the third quarter ended September 30, 2023 of $63.0 million or $1.05 per share, compared with earnings of $39.1 million, or $0.65 per share for the 2022 third quarter. Consolidated revenues for the 2023 third quarter were $764.8 million compared with $745.8 million reported for the 2022 third quarter. David Grzebinski, Kirby's President and Chief Executive Officer, commented, *"Both of our segments continued to perform well during the quarter despite facing some temporary challenges. In marine transportation, pricing on spot and term contracts continued to benefit from strong demand and limited availability of barges. Distribution and services delivered improved margins even as we continued to work through supply chain delays during the quarter. Overall, our earnings increased sequentially and year-over-year. We continued to repurchase stock during the quarter."*

*"In **inland marine** transportation, our third quarter results reflected continued improvement in pricing partially offset by temporary headwinds from the Illinois River closure and several refinery outages in the quarter. From a demand standpoint, customer activity remained strong in the quarter with barge utilization rates running in the high 80% range. Spot market prices continued to progress higher and were up in the mid-single digits sequentially and in the mid-teens range year-over-year. Term contract prices also renewed at higher rates with high single digit increases versus a year ago. Margins were in the high teens range."*

*"In **coastal**, improvements in market fundamentals accelerated with solid customer demand and limited availability of large capacity vessels resulting in spot price increases in the mid-single digits sequentially and in the low 30% range year-over-year. During the quarter, our barge utilization levels continued to run in the mid-90% range. As mentioned before, our results this year are being impacted by planned shipyard maintenance on several large vessels which led to an overall decrease in third quarter coastal revenues year-over-year and operating margins just below break-even."*

Marine transportation revenues for the 2023 third quarter were $429.9 million compared with $433.0 million for the 2022 third quarter. Operating income for the 2023 third quarter was $63.5 million compared with $41.7 million for the 2022 third quarter. Segment operating margin for the 2023 third quarter was 14.8% compared with 9.6% for the 2022 third quarter. In the **inland** market, average 2023 third quarter barge utilization was in the high 80% range, lower when compared to the 2022 third quarter due to the Illinois River lock closures and several refinery outages. Operating conditions were unfavorable with lock, weather and navigational delays contributing to a 24% increase in delay days year-over-year. During the quarter, average spot market rates increased in the mid-single digits sequentially and in the mid-teens range compared to the 2022 third quarter. Term contracts that renewed in the third quarter increased in the high-single digits on average compared to a year ago. Revenues increased 2% compared to the 2022 third quarter despite challenging operating conditions as increased pricing was partially offset by lower utilization from the Illinois River lock closures. The inland market represented 82% of segment revenues in the third quarter of 2023. Inland's operating margin was in the high teens for the quarter. In **coastal**, market conditions were strong throughout the quarter, with barge utilization in the mid-90% range. During the quarter, average spot market rates increased in the mid-single digits sequentially and in the low 30% range compared to the 2022 third quarter. Term contracts that renewed in the third quarter increased in the low double digits compared to a year ago. Despite these improvements, revenues in the coastal market decreased when compared to the 2022 third quarter primarily due to downtime associated with planned shipyard maintenance days. Coastal represented 18% of marine transportation segment revenues during the third quarter. Coastal operating margin was around break-even as improved pricing was partially offset by lost revenue and costs incurred as a result of planned shipyards.

Commenting on the 2023 fourth quarter outlook, Mr. Grzebinski said, *"We had a good quarter with both businesses performing well despite some temporary headwinds. Refinery activity remains at high levels, our barge utilization is strong in both inland and coastal, and rates are steadily increasing. While we expect some near-term issues in the fourth quarter related to low water conditions on the Mississippi River, increasing delay days due to normal seasonal weather conditions, and high levels of shipyard activity in coastal, our outlook in the marine market remains strong. In distribution and services, despite ongoing supply chain constraints and delays, demand for our products and services is good, and we continue to receive new orders in manufacturing. Overall, we expect our businesses to deliver improved financial results in 2024. While all of this is encouraging, we are mindful of challenges related to a slowing global economy and additional economic weakness due to higher interest rates. Even with these uncertainties, we remain very positive and expect to drive strong cash flow from operations going forward."*

"In inland marine, favorable conditions are expected to continue, driven by the combination of high refinery and petrochemical plant utilization and minimal new barge construction across the industry. Kirby expects these strengths to be partially offset by increasing delay days due to normal seasonal weather conditions, lock delays, and low water conditions on the Mississippi River. The Company still expects further improvements in spot market prices, which currently represents approximately 45% of inland revenues. Term contracts are also expected to continue to reset higher. Overall, fourth quarter inland revenues are expected to be roughly flat sequentially with modest improvement in margins, exiting the year close to if not at 20%."

"In coastal marine, revenues and operating margins are being impacted this year by an approximate doubling of planned shipyard maintenance days with ballast water treatment installations on certain vessels. Kirby expects steady customer demand through the balance of the year with barge utilization in the low to mid-90% range. Rates are expected to continue improving as the availability of equipment is tight across the industry. For the fourth quarter, coastal revenues are expected to be up in the low to mid-single digits compared to 2023 third quarter as we continue to progress through major shipyards with the timing of some possibly shifting to early 2024. Coastal operating margins are expected to be near break-even to low single digits on a full year basis."

Conrad Industries, Inc. announced its third quarter and nine months ended September 30, 2023 financial results and backlog at September 30, 2023. For the quarter ended September 30, 2023, Conrad had net loss of $3.2 million compared to net loss of $5.3 million during the third quarter of 2022. The Company had net loss of $14.1 million for the nine months ended September 30, 2023 compared to net loss of $8.8 million for the nine months ended September 30, 2022.

During the first nine months of 2023, Conrad added $203.7 million of **backlog** to its new construction segment compared to $251.0 million added to backlog during the first nine months of 2022. Conrad's backlog was $289.7 million at September 30, 2023, $244.1 million at December 31, 2022 and $260.5 million at September 30, 2022.

Johnny Conrad, CEO, stated, *"The net loss for the first nine months of 2023 was primarily the result of three more complex projects for a single customer that were originally signed in 2020 and early 2021 during the COVID-19 pandemic and suffered from the subsequent supply chain and inflationary issues. Two of these projects are now complete, with the third nearing completion, and we are extremely proud of the quality of the vessels that our Conrad team constructed for our customer. Our repair and conversion segment achieved gross profit of $3.2 million for the nine months ended September 30, 2023, compared to a gross loss of $655,000 during the same period in 2022, demonstrating solid performance in a competitive environment. We are optimistic about future demand, based on current projects, bid activity and market outlook in our repair and conversion segment."*

"We are cautiously optimistic about the future of our vessel construction segment due to recent backlog additions for repeat builds in the ferry and barge markets for repeat customers. Our management team continues to focus on effectively executing our current backlog, securing new contracts, increasing efficiencies and controlling costs so that we can be well-positioned for improved profitability as our markets strengthen."